

Amendment No. 1 to HB0956

Haynes  
Signature of Sponsor

**AMEND Senate Bill No. 920\***

**House Bill No. 956**

by deleting all of the language after the enacting clause and by substituting instead the following:

SECTION 1. Tennessee Code Annotated, Section 9-4-603(c), is amended by deleting subsection (c) in its entirety and substituting it instead with the following:

(c) The state treasurer shall administer the pooled investment fund on behalf of the participants in accordance with § 9-4-602 and shall have the authority to establish accounts and different classes of shares within the fund.

SECTION 2. Tennessee Code Annotated, Section 9-4-603(g), is amended by deleting the second sentence in subsection (g) and substituting it instead with the following:

The state treasurer may deduct from each participant's pro rata earnings through the fund a reasonable charge for administering the fund. In the event that the state treasurer does deduct an administrative fee, it shall be deposited and expended through the revolving account.

SECTION 3. Tennessee Code Annotated, Section 9-4-603(h), is amended by deleting the language contained in subsection (h) in its entirety and substituting it instead with the following, and adding the following language as a new subsection (i):

(h) As the administrator of the pooled investment fund, the state treasurer is authorized to receive, invest and distribute a participant's funds by means of an electronic transfer or other reasonable methods. The state funding board may establish limits, restrictions or conditions on the acceptance of monies into the fund and the withdrawal of monies from the fund.

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(i) At any time, a participant in the fund may request the return of its principal investment or investment income or both; however, a redemption of shares does not guarantee that a participant will receive the entire amount of the principal investment or investment income or both.

SECTION 4. Tennessee Code Annotated, Section 9-4-608(b), is amended by deleting the language contained in subsection (b) in its entirety and substituting it instead with the following:

(b) The authorized instruments for investment in the intermediate-term investment fund shall be those instruments contained in § 9-4-602, as well as the pooled investment fund set forth in § 9-4-603.

SECTION 5. Tennessee Code Annotated, Section 9-4-608(g), is amended by deleting the second sentence in subsection (g) and substituting it instead with the following:

(g) The state treasurer may deduct from each participant's pro rata earnings through the fund, a reasonable charge for administering the fund. In the event that the state treasurer does deduct an administrative fee, it shall be deposited and expended through the revolving account.

SECTION 6. Tennessee Code Annotated, Section 9-4-608, is amended by adding a new subsection as follows:

(j) Local governments may invest in the intermediate-term investment fund by having the local government's legislative body, council, commission or other authorizing individual or authorizing governing body submit a duly adopted resolution to the state

treasurer demonstrating its authority to participate, along with any other documents required by the state treasurer. The resolution shall contain a disclosure statement as the state treasurer shall periodically require.

SECTION 7. Tennessee Code Annotated, Section 9-4-608, is amended by adding a new subsection as follows:

(k) As the administrator of the intermediate-term investment fund, the state treasurer is authorized to receive, invest and distribute a participant's funds by means of an electronic transfer or other reasonable methods. The state funding board may establish limits, conditions or restrictions on the acceptance of monies into the fund and the withdrawal of monies from of the fund.

SECTION 8. Tennessee Code Annotated, Section 9-4-702, is amended by deleting this section in its entirety and substituting it instead with the following:

A local government investment pool is hereby created consisting of the aggregate of all funds from local governments that are placed in the custody of the state treasurer or the agents of the state treasurer for investment, reinvestment and the administration of the fund.

SECTION 9. Tennessee Code Annotated, Section 9-4-704(a), is amended by deleting subsection (a) in its entirety and substituting it instead with the following:

(a) Funds in the local government investment pool established by this part may be commingled, for investment purposes, with state funds held in the pooled investment fund created under § 9-4-603 or may be maintained in a separate pool that is subject to the provisions set forth in §§ 9-4-602 and 9-4-603. The state funding board shall determine whether the funds shall be commingled with the pooled investment fund or maintained in a separate pool. The local government investment pool funds shall be comingled with the pooled investment fund unless the state funding board decides otherwise. The commingling of the local government investment pool with the pooled

investment fund for investment purposes shall not prohibit the funds from being established as two (2) separate funds and accounted for separately with accurate and detailed accounting records. As the administrator of the local government investment pool, the state treasurer is authorized to receive, invest and distribute a participant's funds by means of an electronic transfer or other reasonable methods. The state funding board may establish limits, conditions or restrictions on the acceptance of monies into the fund and the withdrawal of monies from of the fund.

SECTION 10. Tennessee Code Annotated, Section 9-4-704(b), is amended by deleting subsection (b) in its entirety and substituting it instead with the following:

(b) The state treasurer may deduct from each participant's pro rata earnings through the fund a reasonable charge for administering the fund. In the event that the state treasurer does deduct an administrative fee, it shall be deposited and expended through the revolving account established in § 9-4-603(g).

SECTION 11. This act shall take effect immediately upon becoming a law, the public welfare requiring it.